

# Supplementary research

Mapping value in the built urban environment

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## Executive summary

The Value Mapping project was commissioned by CABE in late 2005 and was managed by the Young Foundation, drawing on a team with experience of research and practice. The project was commissioned in order to assess the methods available for capturing the range of values, tangible and less tangible, created by well-designed places. The project team looked at aspects of the built urban environment for which markets (and therefore hard monetary values) do not exist. The aim was to ensure these values receive greater prominence in future decisions on proposed developments. This would bring decision-making that inspired more confidence and ensure that public values would receive greater prominence in relation to the more easily calculable private ones.

Through a literature review and series of seminars the project team addressed the brief in a series of stages:

- Stage 1 defined the built urban environment and the concept of value. The built environment was seen as consisting of several key aspects: use; connectivity with the wider urban area and its needs; size of development; lay-out; physical content (such as street furniture) and human activity. Value was defined as becoming meaningful when people are willing to make a sacrifice (usually monetary) to get something.
- Stage 2 sought to map all the stakeholders who might have an interest in a proposed development. It noted how numerous stakeholder perspectives needed to be factored in although the key players in most developments are likely to be: the developer and their team; the general public; other adjacent property owners; the local authority and, sometimes, national government.
- Stage 3 looked at the various methods currently in use to understand value. These included stated and revealed preference methods used by environmental economists and Multi-Criteria Analysis approaches used by built environment professionals. All were found to have problems but, crucially, all offered an angle on the issue of value.

## Summary of the main valuation/decision methods

Method	Strengths	Weaknesses
Hedonics	<ul style="list-style-type: none"> <li>▪ captures monetary contribution that environmental elements make to a development's private value.</li> </ul>	<ul style="list-style-type: none"> <li>▪ ignores buildings for which there is no market.</li> </ul>
Design Quality Indicators (DQI)	<ul style="list-style-type: none"> <li>▪ easy to use.</li> <li>▪ allows for the involvement of numerous stakeholders – the public can feel engaged.</li> </ul>	<ul style="list-style-type: none"> <li>▪ not enough attention to public space issues.</li> <li>▪ weak at assisting resource allocation.</li> </ul>
VALiD	<ul style="list-style-type: none"> <li>▪ all the advantages of DQI</li> <li>▪ gets people to narrow down what they want from a development (more than DQI does).</li> <li>▪ participants consider costs and compromises they might make.</li> </ul>	<ul style="list-style-type: none"> <li>▪ not enough on public space</li> <li>▪ weak at assisting resource allocation.</li> </ul>
Contingent Choice	<ul style="list-style-type: none"> <li>▪ simple to grasp</li> <li>▪ useable in investment decisions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ hypothetical</li> <li>▪ the poor are seen as having less value</li> <li>▪ measurement not dialogue</li> </ul>
Choice Modelling	<ul style="list-style-type: none"> <li>▪ captures value of different elements</li> <li>▪ useable in investment decisions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ hypothetical</li> <li>▪ miss out the poor</li> <li>▪ measurement not dialogue</li> </ul>

The project succeeded in providing a conceptual framework for thinking about how valuation can be applied to the built urban environment. The project broke new ground in unifying two quite different approaches – namely, the multi-criteria analysis approach used in tools such as DQI and VALiD with monetary methods used by environmental economists. Not only were the literatures brought together but, through a series of seminars, a community of interest was developed and the idea of value mapping investigated.

The clear need in the next phase is for CABE to oversee the application of the framework to an actual development. Since the completion of The Young Foundation's work, CABE has commissioned a new phase of research to test a range of methodologies in the context of street and civic space design. This research aims to report in April 2007.

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